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www.regionalsan.com

January 21, 2021

Mr. Chris Little, Commission Chair Sacramento Local Agency Formation Commission 1112 I Street, Suite 100 Sacramento, CA 95814-2836

Subject: Request to Waive Non-Concurrence Policy and Initiate

Proceedings to Concurrently Amend the Sphere of Influence of Sacramento Regional County Sanitation District (Regional San) and Annex the Harvest Water Program Service Area to Regional San for Recycled Water

Service Only

Dear Mr. Little:

Purpose

The purpose of this letter is to respectfully request that the Sacramento Local Agency Formation Commission (LAFCo) waive Policies, Standards and Procedures Guidelines which discourage the concurrent amendment of a Sphere of Influence (SOI) with a proposed annexation, (Policy IV.A.1.). Regional San wishes to initiate Commission proceedings to concurrently amend the SOI of Regional San and annex the Harvest Water Program (Harvest Water) Place of Use Area into the Regional San service area for recycled water service only. The current Regional San SOI has been maintained in timely manner, and there is no other SOI amendment request pending or proposed.

Background

Harvest Water will provide a safe and reliable supply of tertiary-treated recycled water, to be produced at the Sacramento Regional Wastewater Treatment Plant (SRWTP), for agricultural irrigation uses, which in turn will:

- 1) reduce the demand for groundwater pumping,
- 2) support habitat enhancement efforts,
- 3) expand Regional San's effluent management options, and
- 4) provide long-term benefits to the Sacramento region.

Harvest Water's proposed service area is located entirely in Sacramento County and includes portions of the City of Elk Grove's Sphere of Influence, unincorporated Sacramento County, and the Stone Lakes National Wildlife Mr. Chris Little January 21, 2021 Page 2

Refuge (SLNWR). The recycled water service area is bounded to the south by the Cosumnes River Preserve (CRP), south of Twin Cities Road to the north primarily by Bilby Road and Kammerer Road, and lies mostly between Interstate 5 and Highway 99, both of which run in a north-south direction (see figures in Attachments 1 and 2).

The expansion of the SOI will not include the extension or provision of potable water or sanitary sewer services and will not alter existing land use designations. Harvest Water will not introduce or support new non-agricultural land uses or result in changes to the functions of the SLNWR or the CRP. It could enhance these habitat areas by potentially delivering recycled water to SLNWR or the CRP during drought conditions to complement existing surface water deliveries.

Discussion

On October 14, 2020, the Regional San Board of Directors adopted a Resolution authorizing its staff to initiate proceedings with LAFCo to concurrently amend the SOI and annex the Harvest Water service area for recycled water service only. A copy of the adopted Resolution is included in Attachment 3.

Harvest Water would involve an expansion of Regional San's SOI and annexation of approximately 26,000 acres of South Sacramento County to become part of Regional San's service area specifically for recycled water service only. The area included in the annexation represents a logical extension of the existing Regional San service area to include land primarily occupied by agricultural groundwater users. Within the 26,000-acre area, Regional San intends to provide recycled water to a portion of 22,400 acres of agricultural and habitat lands. At the boundary of the proposed annexation area, there are some instances where only portions of parcels will be served with recycled water. In order to avoid splitting of legal parcels, the proposed annexation area is slightly larger than the intended water service area. The 26,000 acres includes all of the possible parcel acreage that would be included in the SOI and annexation including parcels that cross the Cosumnes River and are within the SLNWR and CRP.

Revision of Regional San's service area requires approval by LAFCo. Regional San respectfully requests that LAFCo waive its non-concurrence policy since the proposal is:

- 1) for a single service (recycled water service only);
- 2) it is in the best interests of the public served and appropriate in this case; and
- 3) to streamline the time required for approval by LAFCo.

The original Harvest Water Environmental Impact Report (EIR) was certified on March 8, 2017. Attachment 4 (Chapter 4, "Evaluation of Service Area Establishment") is part of the adopted addendum to the EIR to cover the Ecological Plan and Wintertime Application components of Harvest Water. Attachment 4 summarizes project setting information and identifies potential environmental impacts related to LAFCo policies and standards. The adoption of this addendum to the EIR by the Regional San Board of Directors was approved on January 13, 2021.

Mr. Chris Little January 21, 2021 Page 3

Stakeholder Outreach

Regional San is implementing a comprehensive public outreach program to gain input and participation from key stakeholders (such as landowners, farming and environmental interests, residents, agency representatives, etc.) in the vicinity of the proposed Harvest Water service area. The outreach program will continue through the LAFCo process, as well as through design and construction phases of Harvest Water. A summary of Regional San's stakeholder outreach activities related to the LAFCo process will be submitted as part of the Harvest Water.

In closing, I wish to emphasize our appreciation for your staff's time and assistance in guiding our staff during the proposed Regional San SOI amendment and annexation of Harvest Water to Regional San. Please contact Mr. Christoph Dobson at dobsonc@sacsewer.com or at (916) 876-6042, if you have any questions or need additional information regarding this letter.

Sincerely,

-DocuSigned by:

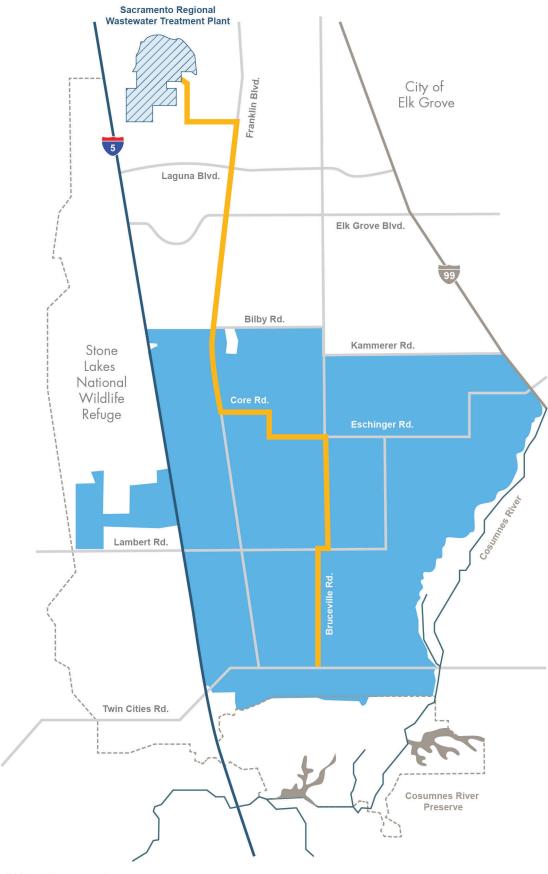
Prabliakar Somavarapu

Prabhakar Somavarapu District Engineer

- Attachments: 1. Vicinity Map
 - 2. Service Areas Map
 - 3. Regional San Resolution No. SR-2999
 - 4. Chapter 4 Evaluation of Service Area Establishment
 - 5. Indemnification Agreement

Harvest Water Program Area

ATTACHMENT 1

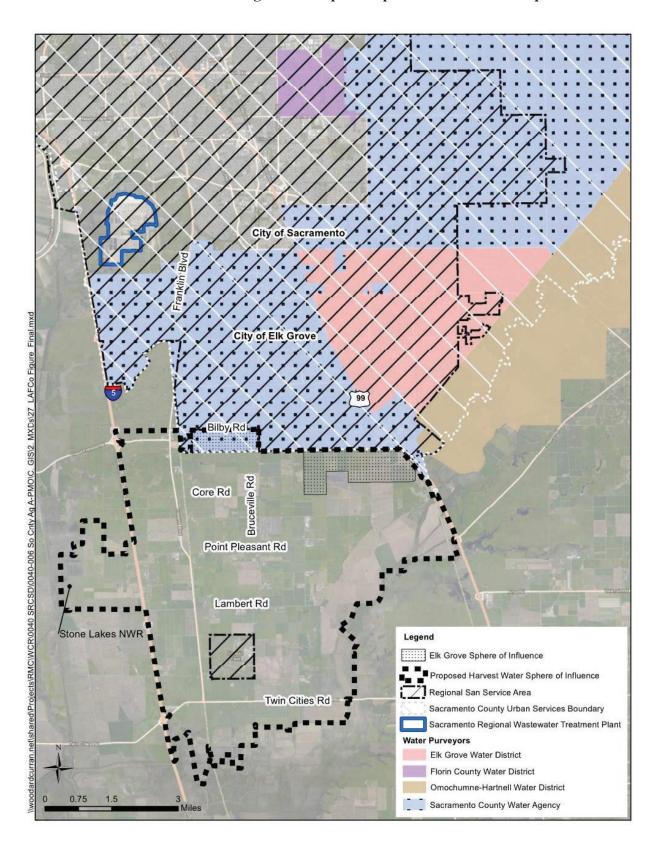


Harvest Water Program Area

Proposed Recycled Water Alignment

Last Revised: July 30, 2020

Harvest Water Program - Proposed Sphere of Influence Map



SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RESOLUTION NO. SR-2999

AUTHORIZATION TO INITIATE PROCEEDINGS WITH THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION TO CONCURRENTLY AMEND THE SPHERE OF INFLUENCE AND ANNEX THE HARVEST WATER PROGRAM PLACE OF USE AREA INTO THE SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT SERVICE AREA FOR RECYCLED WATER SERVICE ONLY

WHEREAS, On March 8, 2017 the Sacramento Regional County Sanitation District (Regional San) certified a program Environmental Impact Report (SCH No. 2015022067) for the Harvest Water Program; and

WHEREAS, The Harvest Water Program will provide a safe and reliable supply of tertiary-treated non-potable, recycled water for agricultural uses, which in turn, will reduce groundwater pumping, support habitat enhancement efforts, expand Regional San's effluent management options, and provide long-term benefits to the Sacramento region; and

WHEREAS, The Harvest Water Program's proposed service area is located in Sacramento County and includes portions of the City of Elk Grove's Sphere of Influence (Exhibit B) that is not located within the Regional San service areas; and

WHEREAS, the Sacramento Local Agency Formation Commission (LAFCo) is required to determine and periodically update spheres of influence (SOI) for each local agency and make written determinations; and

WHEREAS, the expansion of the SOI does not include potable water or sanitary sewer services and will not alter existing land use designations; and

WHEREAS, amending Regional San's SOI is a prerequisite to annexing territory into the current Regional San service areas; and

WHEREAS, in order to accomplish amendment of the SOI and annexation of the aforementioned location to accommodate for the desired place of use area for the Harvest Water Program to Regional San's service areas, Regional San must initiate proceedings with LAFCo, and receive LAFCo Commission approval.

ATTACHMENT C

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Directors of the SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT, a county sanitation district pursuant to and operating under the authority of the County Sanitation District Act, commencing at Health and Safety Code section 4700, hereby finds and orders as follows:

- 1.) This proposal is made and it is requested that proceedings be taken pursuant to Section 3 of the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Section 56700 of the California Government Code.
- 2.) This proposal is a reorganization and consists of an amendment of the SOI of the affected service areas referenced, annexation of the Harvest Water Program Place of Use Area into the service areas of Regional San, and granting authorization for the District Engineer or designee to prepare and submit an application and associated Municipal Service Review and Plan for Services documentation to LAFCo requesting such amendment of SOI and related annexation, and to take all actions reasonably necessary to complete the proceedings taken before the commission.
- 3.) The purpose of the proposal is to accommodate the Harvest Water Program place of use area into the Regional San service area for recycled water service only.
- 4.) The proposal is consistent with the Sphere of Influence of affected agencies.

ATTACHMENT C

ON A MOTION by Director Harris, and seconded by Director Peters, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Regional County Sanitation District, State of California, this 14th day of October, 2020, by the following vote, to wit:

AYES:

Directors Bruins, Carr, Harris, Hume, Kennedy, Ly, McGarvey,

Nottoli, Orozco, Peters, Serna

NOES:

None

ABSENT:

Directors Howell, Villegas, Warren, Frost, Two Vacancies

ABSTAIN:

None

RECUSAL:

None

(PER POLITICAL REFORM ACT (§ 18702.5))

Chair of the Board of Directors

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Sacramento Regional County Sanitation District, a county sanitation district pursuant to and operating under the authority of the County Sanitation District Act, commencing at Health and Safety Code section 4700

> FILED BOARD OF DIRECTORS

OCT 14 2020

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In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman on 16-17

y: E.an

Deputy Clerk, Board of Directors

CALIFORNIA

ATTEST:

Clerk of the Board of Supervisors of Sacramento County, California, and exofficio Secretary of the Board of Directors of the Sacramento Regional County Sanitation District

4 EVALUATION OF SERVICE AREA ESTABLISHMENT

This chapter summarizes setting information and identifies potential impacts related to the proposed establishment of a new service area for recycled water service specific to the Sacramento Local Agency Formation Commission's (LAFCo) policies and standards related to the environment. Materials used to prepare this chapter include the Sacramento LAFCo *Policy, Standards, and Procedures Manual*. This chapter only addresses the potential action of LAFCo authorizing Regional San's request for the establishment of the identified recycled water service area that would involve an amendment to its existing sphere of influence and annexation. The environmental effects of implementation of Harvest Water as a whole are addressed in the Program EIR and related CEQA documents, including this addendum. Although the Program EIR identified the need for LAFCo authorization for establishment of the service area and identified LAFCo as a responsible agency under CEQA, this chapter provides further environmental review documentation for the LAFCo authorization.

4.1 OVERVIEW OF ANNEXATION REQUEST

Regional San proposes to implement Harvest Water (formerly, the South County Ag Program), which would provide a safe and reliable supply of tertiary-treated recycled water for agricultural uses, reduce groundwater pumping, and support habitat enhancement/retention efforts.

Harvest Water includes expanding Regional San's recycled water system to serve the South County, and consists of pumping Title 22 tertiary-treated, disinfected recycled water from the Sacramento Regional Wastewater Treatment Plant (SRWTP) through new pipelines to potential agricultural and habitat lands customers. This proposed reorganization would include and amendment of the existing sphere of influence and annexation of a total of 22,400 acres into Regional San's service area for recycled water service only, including unincorporated irrigated lands in the South County and managed wetlands within the South Stone Lake area of the Stone Lakes National Wildlife Refuge (NWR) and the Cosumnes River Preserve. The proposed recycled water service area is located in Sacramento County and includes portions of unincorporated Sacramento County, the NWR, and the Cosumnes River Preserve. The approximate boundaries of the recycled water service area are Interstate 5 (I-5) to the west, Highway 99 and the Cosumnes River to the east, Bilby Road to the north, and the Cosumnes River Preserve to the south (see Figure 2-2). A portion of the Recycled Water Delivery Area is located west of I-5 comprising portions of the Stone Lakes NWR and lands between the refuge and I-5. While the project area is located close to the SRWTP, it is outside the current Regional San service area. The proposed annexation of the project area is for extension of recycled water service only and would not extend Regional San's wastewater treatment service area.

4.2 ENVIRONMENTAL SETTING

4.2.1 Affordable Housing

A majority of the proposed service area is undeveloped consisting of agricultural uses and habitat preservation areas within the NWR and the Cosumnes River Preserve. No affordable housing projects exist in the area.

4.2.2 Disadvantaged Unincorporated Communities

In 2011, Senate Bill (SB) 244 was enacted, resulting in changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cortese-Knox-Hertzberg Act). LAFCos are now required to deny any application to annex to a city territory that is contiguous to a disadvantaged unincorporated community unless a second application is submitted to annex the disadvantaged community as well and LAFCos are required to evaluate disadvantaged unincorporated communities in a municipal service review. SB 244 defines "disadvantaged unincorporated"

Ascent Environmental

community" as any area with 12 or more registered voters where the median household income is less than 80 percent of the statewide annual median. This project would result in changes to Regional San's service boundary and would not include annexation of land to a city; therefore, the project would not result in any impacts to said communities and disadvantaged unincorporated communities.

4.2.3 Agricultural Lands/Open Space

Public Resources Code Section 21060.1 defines "agricultural land" as: prime farmland, farmland of statewide importance, or unique farmland, as defined by the United States Department of Agriculture (USDA) land inventory and monitoring criteria, as modified for California. This definition is based on the USDA, Natural Resources Conservation Service (NRCS), Farmland Mapping and Monitoring Program (FMMP). NRCS through the FMMP uses two systems to determine a soil's agricultural productivity: The Soil Capability Classification System and the Storie Index Rating System.

LAFCo has also established provisions for the consideration of proposed actions which uses a definition of agricultural lands that differs from those used under CEQA. Section 56064 of the Cortese-Knox-Hertzberg Local Government Reorganization Act defines "prime agricultural land" as follows:

"Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service (NRCS) land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

Large portions of the proposed service area would meet both the CEQA definition of important farmland and Section 56064 of the Cortese-Knox-Hertzberg Local Government Reorganization Act definition of prime agricultural land. The proposed service area also includes preserved habitat areas associated with the Stone Lakes NWF and the Cosumnes River Preserve that would meet the definition of "open space land" under Section 65560 of the Cortese-Knox-Hertzberg Local Government Reorganization Act.

Over the long term, agricultural land use in the area would be unaffected as a result of the installation of proposed infrastructure such as pipelines. The project and extension of the service area would provide a benefit to agricultural and open space lands in the project area and would not involve changes that could result in conversion of these areas.

4.2.4 Environmental Justice

Government Code Section 65040.12 (e) defines environmental justice as: "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws and policies." The Cortese-Knox-Hertzberg Local Government Reorganization Act Section 56668(o) further defines environmental justice as 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. Environmental justice addresses issues

concerning whether an activity could expose minority or disadvantaged populations to proportionately greater impacts compared with those borne by other individuals.

4.3 REGULATORY SETTING

4.3.1 Cortese-Knox-Hertzberg Local Government Reorganization Act

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) establishes procedures for local government changes of organization, including city incorporations, annexations to a city or special district, and city and special district consolidations. Local agency formation commissions (LAFCOs) have numerous powers under the Act, but those of primary concern are the power to act on local agency boundary changes and to adopt spheres of influence (SOI) for local agencies. Among the purposes of LAFCOs are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local agencies. The Act includes the following provisions:

56425. (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city and each special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.

56428. (a) Any person or local agency may file a written request with the executive officer requesting amendments to a sphere of influence or urban service area adopted by the commission. The request shall state the nature of the proposed amendment, state the reasons for the request, include a map of the proposed amendment, and contain any additional data and information as may be required by the executive officer. (b) After complying with the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, the executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given. The executive officer shall give notice in the manner provided by Section 56427. On the date and time provided in the notice, the commission may do either of the following: (1) Without further notice, consider the amendments to a sphere of influence. (2) Set a future date for the hearing on the request.

56653. (a) If a proposal for a change of organization or reorganization is submitted pursuant to this part, the applicant shall submit a plan for providing services within the affected territory. (b) The plan for providing services 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 currently provided or 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, if new services are proposed. (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.

4.3.2 Sacramento Local Agency Formation Commission

Establishment of the proposed service area is subject to Sacramento LAFCo's *Policy, Standards and Procedures Manual.* The following discussion includes a list of Sacramento LAFCo policies that apply to the project.

SACRAMENTO LAFCO GENERAL POLICIES

5. CEQA requires that LAFCo assess the environmental consequences of its actions and decisions, and take actions to avoid or minimize a project's adverse environmental impacts, if feasible, or approve a project despite

significant effects because it finds overriding considerations exist. To comply with CEQA, the LAFCo will take one or more of the following actions:

- a. At its discretion, approve a project without changes if environmental impacts are insignificant;
- b. Require an applicant to modify a project;
- c. Establish mitigating measures as a condition of its approval of the proposal, (note the Commission may also impose terms and conditions of project approval other than CEQA identified mitigation measures.);
- d. Modify and approve to avoid or lessen environmental impacts, or disapprove the proposal because of unacceptable adverse environmental impacts;
- e. Approve the project despite its significant effects by making findings of overriding concern.
- 6. LAFCo will favorably consider those applications that do not shift the cost for services and infrastructure benefits to other service areas.
- 7. The LAFCo encourages the use of service providers which are governed by officials elected by the citizens.

SACRAMENTO LAFCO GENERAL STANDARDS

B. Conformance with applicable general and specific plans

- 1. LAFCo will approve changes of organization or reorganization only if the proposal is consistent with the General Plan and applicable Specific Plans of the applicable planning jurisdiction.
- 2. For purposes of the above policy, the applicable planning jurisdiction is as follows:
 - a. For annexations to a city, the applicable jurisdiction is the city to which annexation is proposed;
 - b. For applications for annexation to or detachment from a district all of whose territory lies within an adopted Sphere of Influence of a city, the General Plan of the city;
 - c. For an application for annexation to a special district for lands outside an adopted city Sphere of Influence, the Sacramento County General Plan;
 - d. For an application for annexation or detachment from a district whose territory lies in both the city and the unincorporated area of the county, the General Plan of the city unless the project lies outside of the city's Sphere of Influence; and
 - e. For applications for incorporations, this standard is inapplicable.
- 3. For purposes of this standard, the proposal shall be deemed consistent if the proposed use is consistent with the applicable General Plan designation and text, the applicable General Plan is legally adequate and internally consistent and the anticipated types of services to be provided are appropriate to the land use designated for the area.
- 4. The governing body of the applicable planning jurisdiction shall recommend by resolution whether the proposal meets all applicable consistency requirements of state law, including internal consistency. LAFCo shall retain jurisdiction to determine consistency pursuant to its jurisdiction to approve, disapprove or condition changes of organization or reorganization and may require additional information if necessary.

Boundaries

- 1. The LAFCo will not approve applications within boundaries which:
 - a. Result in islands, corridors or peninsulas or incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries;
- 2. LAFCo will make exceptions to the requirements of this standard only if the exception:
 - a. Is rendered necessary because of unique circumstances;

- b. Results in improved quality or lower cost of service available to the affected parties; or
- c. There exists no feasible and logical alternative.

4.3.3 Sacramento County 2030 General Plan

The following discussion includes a list of Sacramento County 2030 General Plan goals, objectives, and policies that apply to the project.

SACRAMENTO COUNTY GENERAL PLAN AGRICULTURAL ELEMENT

Groundwater Depletion, Water Quality And Water Conservation

OBJECTIVE: Reduce or eliminate groundwater cones of depression in farming areas by encouraging water conservation.

INTENT: Groundwater depletion has caused pumping costs to increase in some farming areas south of the American River in the South County. Increasing pumping costs have reduced the viability of farming in these areas where substantial urban development is planned. Such developments could increase demands on local aquifers unless alternative surface water supplies are made available to them. The California Department of Public Health has established California water recycling criteria (known as Title 22) for various purposes, including agriculture.

- ▶ Policy AG-27: The County shall actively encourage groundwater recharge, water conservation and water recycling by both agricultural and urban water users.
 - Implementation Measure A: Promote, through educational and technical assistance programs, adoption of water conservation and water recycling measures, including programs established in the Sacramento Regional County Sanitation District's Water Recycling Master Plan. (DWR, SACDOT)
 - Implementation Measure B: In cooperation with SRCSD, the County shall explore innovative ways to encourage groundwater recharge in agricultural areas. (DWR, PLANNING & ENVIRONMENTAL REVIEW)

SACRAMENTO COUNTY GENERAL PLAN CONSERVATION ELEMENT

Efficient Use of Urban and Agricultural Water

OBJECTIVE: Ensure the most efficient use of water in urban and agricultural areas.

Efficient water use is essential to address the limited volume of safe, reliable water supplies available for beneficial use in Sacramento County. Water available for beneficial use is limited by precipitation patterns, water rights limitations, sustainable groundwater yield, and water required for the preservation of important environmental resources.

- ▶ Policy:CO-13: Support the WFA Conservation Element and the California Urban Water Conservation Council Best Management Practices for Water Conservation.
- ▶ **Policy CO-14:** Support the use of recycled wastewater to meet non-potable water demands where financially feasible.
- ▶ Policy CO-15: Support effective agricultural water conservation practices, including the use of recycled wastewater where financially feasible.

Manage Water to Protect Ecosystems

OBJECTIVE: Manage water supply to protect valuable water-supported ecosystems.

The beneficial use of water for urban development and agriculture changes patterns of river and stream flow and water quality, which have impacts on valuable water-supported ecosystems, including riparian and stream ecology and the Sacramento River Delta.

Policy CO-20: Support preservation and restoration of the Cosumnes River riparian ecosystem.

SACRAMENTO COUNTY GENERAL PLAN DELTA PROTECTION ELEMENT

Utilities and Infrastructure Goal: Support construction of new utilities and infrastructure facilities appropriate to the Delta which avoid, minimize and mitigate the impacts of such new construction on the integrity of levees, wildlife, recreation, agriculture.

▶ **Policy DP-65:** Encourage the provision of infrastructure for new water, recycled water and recreational and scientific research facilities.

4.4 IMPACTS AND MITIGATION MEASURES

4.4.1 Significance Criteria

Impacts related to the establishment of the proposed service area would be considered significant if the project would result in conflicts with Sacramento LAFCo policies and standards related to public service provision and the environment for any of the following:

- affordable housing;
- ▶ loss of prime agricultural lands (as defined by Section 56064 of the Cortese-Knox-Hertzberg Local Government Reorganization Act); or
- loss of open space (as defined in Government Code Section 65560).

In addition, impacts related to the project would be considered significant if the reorganization would result in adverse effects or impacts that are appreciably more severe in magnitude or are predominately borne by any segment of the population, for example, household population with low income or a minority population in comparison with a population that is not low income or minority (i.e., environmental justice impacts).

METHODS AND ASSUMPTIONS

As noted above, the analysis below is focused on impacts related to reorganization of the project specific to the Sacramento LAFCo policies and standards for public services and the environment. The project and cumulative environmental impacts of the project are addressed in the Program EIR.

IMPACTS AND MITIGATION MEASURES

Impact 6-1: Loss of Affordable Housing

The proposed service area does not contain any existing affordable housing projects and would not involve the removal of any existing housing. Therefore, the project would have **no impact** involving the loss of affordable housing.

Upon annexation, the project would provide recycled water that would provide a benefit to agricultural lands and preserved habitat areas in the service area and would not involve changes in existing land use conditions or require removal of any housing. Therefore, the project would have **no impact** involving the loss of affordable housing.

Mitigation Measures

No mitigation is required.

Impact 6-2: Loss of Prime Agricultural Lands

The proposed service area will provide recycled water service to agricultural landowners who have agreed to participate in the Program. Recycled water use for irrigation will offset groundwater pumping and will result in in-lieu groundwater recharge in the area. This would provide water supply benefits to agricultural uses and not result in the loss of prime agricultural lands as defined by Section 56064 of the Cortese-Knox-Hertzberg Local Government Reorganization Act. Therefore, the project would have **no impact** involving the loss of prime agricultural lands.

While there would be some construction related to the installation of pipelines, this construction would occur primarily within existing roadways and would be temporary in nature. Where construction may occur in agricultural lands, pipelines would be installed underground and temporarily disturbed agricultural lands would be restored to agricultural production after pipeline installation. The provision of recycled water service to agricultural landowners who have agreed to participate in the Program will offset groundwater pumping and will result in in-lieu groundwater recharge in the area. The project would provide a benefit to agricultural lands in the project area and would not involve changes that could result in conversion of farmland to non-agricultural use. Therefore, the project would have **no impact** involving the loss of prime agricultural lands.

Mitigation Measures

No mitigation is required.

Impact 6-3: Loss of Open Space Land Uses

The proposed service area and recycled water service to agricultural landowners, Stone Lakes NWR, and the Cosumnes River Preserve will provide habitat and groundwater benefits. The project would not result in the conversion of open space land uses or support future development that could convert such uses within the service area. Therefore, the project would have **no impact** involving the loss of loss of open space land uses.

As noted above, Section 56059 of the Cortese-Knox-Hertzberg Local Government Reorganization Act uses the open space definition under Government Code Section 65560. The proposed service area would meet the definition under Section 65560(b)(1) and (2) as it is currently in agricultural use and includes the Stone Lakes NWR and the Cosumnes River Preserve.

While there would be some construction related to the installation of pipelines, this construction would occur primarily within existing roadways and would be temporary in nature. Where construction occurs outside of roadways, disturbance would be temporary in order to install the pipelines underground, and disturbed areas would be restored to pre-project conditions. Recycled water service to agricultural landowners, Stone Lakes NWR, and the Cosumnes River Preserve would provide habitat and groundwater benefits to these open space uses. Therefore, the project would have **no impact** involving the loss of open space lands.

Mitigation Measures

No mitigation is required.

Impact 6-4: Impacts Related to Environmental Justice

The proposed service area does not contain any existing affordable housing projects and would not involve the removal of any existing housing. There are no existing or proposed uses in the project area that would expose any existing residents in the area to one or more environmental hazards. Therefore, the project's impact would be **less** than significant related to environmental justice concerns.

Upon annexation, the project would provide recycled water that would provide a benefit to agricultural lands and preserved habitat areas in the service area and would not involve changes in existing land use conditions or require removal of any housing. The proposed service area does not contain any existing affordable housing projects. Environmental hazards would only be associated with project construction. Potential hazards, such as accidental

Evaluation of Service Area Establishment

releases of fuels or other construction materials would be reduced to a less than significant level through compliance with existing laws and regulatory regimes regarding the use and storage of typical construction material. Therefore, impacts related to environmental justice would be **less than significant**.

Mitigation Measures

No mitigation is required.

Impact 6-5: Impacts related to consistency with Sacramento Local Agency Formation Commission policies and standards

The project would generally be consistent with Sacramento Local Agency Formation Commission standards associated with annexation requests that address environmental issues as set forth in its *Policy, Standards and Procedures Manual.* Therefore, the project's impact would be **less than significant**.

The following is a consistency analysis of the project based on the general standards and specific standards by action type set forth in Sacramento LAFCo's *Policy, Standards and Procedures Manual.*

General Standard B. Conformance with Applicable General and Specific Plans

Construction and operation of the project would not result in any changes to land use. The proposed pipelines and appurtenances would be located underground, primarily within public rights-of-way, although construction could temporarily occur on adjacent agricultural land. The project does not include residential, commercial, or agricultural development and would not alter land use designations of existing land uses. The project would also not introduce new uses or result in changes to the functions of the Cosumnes River Preserve or Stone Lakes NWF. Providing recycled water to agricultural customers in the South County would contribute to Sacramento County's goals and objectives of protecting farmland, enhancing the viability of the agricultural economy, and reducing or eliminating groundwater cones of depression in farming areas. In addition, the use of recycled water in an area currently relying primarily on groundwater would be consistent with groundwater management policies in the area. Therefore, the project would be consistent with the Land Use Elements of the Sacramento County General Plan and the Cosumnes River Preserve Management Plan

General Standard C. Boundaries

The proposed service area boundary was drawn to provide the flexibility to deliver recycled water to interested agricultural groundwater users and conservation landowners located south of the Sacramento Regional Wastewater Treatment Plant. By providing recycled water for seasonal agricultural irrigation to current groundwater users, the project will result in in-lieu groundwater recharge in the area. West of I-5 and south of Twin Cities Road, agricultural irrigation is mainly sourced from surface water. East of Highway 99 and the Cosumnes River Preserve, a crossing under the Cosumnes River and an additional booster pump station would be needed to support the distribution system. Hence, at this time, the service area lies to the East of the Cosumnes River, and resides solely in the South American Groundwater Basin, and within the purview of the Sacramento County Groundwater Authority (SCGA).

Based on the analysis above, the project would be generally consistent with Sacramento LAFCo policies that address environmental issues, and this impact would be **less than significant**.

Mitigation Measures

No mitigation is required.

SAMPLE (Form to be Prepared by LAFCO Commission Clerk)

Indemnification Agreement

As part of the **SACRAMENTO REGIONAL** COUNTY SANITATION DISTRICT (REGIONAL SAN) REORGANIZATION [Sphere of Influence Amendment of REGIONAL SAN and Annexation of the Harvest Water Program (Harvest Water) Place of Use Area into the REGIONAL SAN Service Area for Recycled Water Service Only] (XX-XX), REGIONAL SAN, applicant and real party in interest, hereby agrees to defend, indemnify, and hold harmless, and release the Sacramento Local Agency Formation Commission, its agents, officers, attorneys, and employees (collectively "LAFCo") from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of the **REGIONAL SAN REORGANIZATION**(XX-XX), or adoption of the environmental document which accompanies it. This indemnification obligation shall not include intentional or willful misconduct on the part of LAFCo, but shall include passive and/or concurrent active negligence by LAFCo, and includes, but is not limited to, damages, costs, expenses, attorney fees of LAFCo, or expert witness fees or attorney fees that may be asserted by any person or entity, including the applicant, arising out of, or in connection with, the approval of this application. This indemnification obligation is intended to be as broad as permitted by law.

Executed at Sacramento ,	California on
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION	SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT
Ву	By
Don Lockhart Executive Officer	Prabhakar Somavarapu District Engineer
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION 1112 I Street, Suite #100	SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT 10060 Goethe Road
Sacramento, CA 95814 Maf	Sacramento, CA 95827
(Indemnification Agreement)	