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**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)  
EXECUTIVE OFFICER'S REPORT**

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**CONSENT AGENDA ITEM No. 5B**

**DATE:** March 12, 2014

**TO:** Fresno Local Agency Formation Commission

**FROM:** David E. Fey, AICP, Executive Officer

**SUBJECT: Consider Approval:** Malaga County Water District "Graham Annexation." A request to annex 1.58 acres to the Malaga County Water District for the territory located east of Maple Avenue, west of Golden State Boulevard, and north of Muscat Avenue (**LAFCo File No. AD-14-1**)

**Applicant:** Malaga County Water District

**Land Owners/Parties of Real Interest:** Tami and Mark Graham and Malaga County Water District

**RECOMMENDATION: Approve by Taking the Following Actions:**

- A. Acting as a "Responsible Agency" under CEQA Guidelines, state that this Commission considered the information in the Categorical Exemption prepared for this project by the Malaga County Water District prior to making its determination and find the subsequent project (Proposal) to be within the scope of the overall project covered by the Exemption (CEQA Section 15319 "Annexation of Existing Facilities and Lots for Exempt Facilities").
- B. Find that the Lead Agency's Categorical Exemption was prepared in accordance with the requirements of CEQA Guidelines and is consistent with State law and that the District's environmental document prepared for this Proposal is determined to be legally adequate pursuant to CEQA Guidelines Section 15319.
- C. Find that the proposed reorganization is consistent with LAFCo Policies, Standards, and Procedures Section 210 - Standards for Annexation to Cities and Urban Service Districts (01-10) and the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000.
- D. Assign the distinctive short form designation "Graham Annexation" and approve the annexation
- E. Find pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Act") that:
  - 1. The territory is uninhabited.
  - 2. All landowners have consented to the annexation.
- F. Waive further Conducting Authority Proceedings and approve the annexation subject to the requirements of the "Act," the 30-day reconsideration period, and compliance with above condition.

## **Background**

The Malaga County Water District (MCWD) initiated this proposal on September 24, 2013, with the adoption of Resolution No. 09-24-2013. The proposal is to annex the Graham property into the MCWD to receive water service. A Certificate of Filing has been issued by the LAFCo Executive Officer.

## **Proposal / Land Use**

- The Proposal consists of the annexation of 1.58 acres to the Malaga County Water District.
- The affected territory is located within the Malaga County Water District's Sphere of Influence and is bounded by the County to the east and the Malaga County Water District on the north, west, and south (see attached maps).
- The territory and the surrounding area are developed industrial lots. The well on the affected parcel has failed and the landowner seeks to connect to the District's water supply. The landowner requested to defer sewer service until the existing septic system is no longer functional and has entered into an agreement with the District to allow the deferral of sewer connection until it is needed.

## **Environmental Determination**

The MCWD, as "Lead Agency" under CEQA, determined that the proposal is Categorically Exempt from the California Environmental Quality Act under CEQA Guidelines Section 15319, "Annexation of Existing Facilities and Lots for Exempt Facilities."

As a "Responsible Agency" under CEQA Guidelines, prior to approving the present Proposal, the Commission is required to consider the information in the Categorical Exemption for the Proposal on which the Lead Agency based its Finding of Exemption. (The Exemption is attached to the staff report located on the LAFCo website at [www.fresnolafco.org](http://www.fresnolafco.org) under the Hearings and Workshops tab in the March 12, 2014 Hearing folder.)

Based on an evaluation of material provided in support of the application, staff concurs with the MCWD's findings of a Categorical Exemption.

## **District Overview**

The MCWD is a water and wastewater utility district located south of the City of Fresno. The District serves approximately 1,300 residential connections and a variety of commercial and industrial land use customers. The District owns seven wells but currently operates three wells on a supply distribution system that consists of approximately 12 miles of water mains ranging from 6 to 14 inches in diameter that adequately serves the District's customers.

## **Analysis**

### **Review of MSR Discussion and Recommendations**

The MCWD Municipal Service Review was last considered and approved by the Commission in 2007. At that time, the County of Fresno expressed concerns related to groundwater overdraft in the Fresno/Clovis Metropolitan Area and how it may affect the ability of smaller service providers with more limited resources to continue to provide water service to their customers.

The 2007 MSR noted that groundwater is a vital, but finite resource for the Fresno/Clovis Metropolitan Area, including the MCWD, and acknowledged that individual agencies each have their own interests, which sometimes compete with the interests of others for this limited resource. LAFCo encouraged the District and other affected local governmental agencies to:

- address and mitigate as required, groundwater overdraft impacts during the mandated environmental review process for all “projects” as defined by CEQA, that would result in new or increased demands on water resources and/or intensification of urban uses; and
- Work together to collectively identify and implement feasible strategies to eliminate groundwater overdraft in the Fresno/Clovis Metropolitan Area, including territories that may be the subject of future applications to LAFCo for a change of organization or reorganization.

The 2007 MSR observed that a dependable water supply for municipal use (i.e. residential, commercial, and industrial) will be a significant issue that LAFCo will carefully consider when reviewing proposed Sphere of Influence and boundary changes.

### **Water Resource Considerations**

The MCWD prepared a 2012 Water Supply Report (“Report”) to assess the District’s water supply and evaluate the existing system characteristics:

1. Supply facilities and storage;
2. District utility system;
3. Ground water analysis; and
4. Immediate needs and long-term water management.

The Report noted that MCWD relies solely on groundwater to serve its customers, pumping from “an unconfined aquifer system that extends west from the Sierra Nevada foothills. There are a large unknown number of private wells pumping from the same underground reservoir that provide water for domestic and agricultural uses. This groundwater aquifer is generally over drafted throughout the San Joaquin Valley.”

Regarding water production and distribution, the Report concluded that the existing water well system is capable of pumping an adequate water supply to the proposed Project (the Graham Annexation) and the District’s utility systems will adequately provide service to the proposed annexation.

The Report recommended development of a network of monitoring wells to estimate groundwater overdraft or replenishment, and to monitor contaminants, implementing an early leak detection program, and monitoring private water wells within the District with consideration to a levy of a charge for groundwater monitoring and/or groundwater pumping.

The Report also recommended initiating a water resource or reclamation program as well as consideration of conjunctive use of surface water and groundwater, including agreements with other agencies to implement groundwater recharge activities.

The increased demand from the proposed annexation is not significant in that the project area had a private, unregulated well that failed. The property owner now seeks to annex to the MCWD to obtain water service. There is no information in the record to suggest that this will have an effect other than the MCWD becoming the new service provider. No additional demand is expected.

The MCWD's 2012 Report recommendations are consistent with the Commission's 2007 recommendations. Staff will continue to monitor the progress of the 2014 Report update and encourage the MCWD to continue efforts that increase the management of its water resources and participation in regional water resource cooperation through its 2014 Water Supply Report update.

#### Consistency with LAFCo Policies, Standards, and Procedures

- The affected territory is located within the MCWD's Sphere of Influence (SOI) and is bounded by the District to the east, west, and south.
- The District is not requesting property tax exchange negotiations with the other affected agencies.
- The site is currently developed for industrial uses. The Service Plan submitted for this Proposal indicates that the District is able to provide water at this time and has the capacity to provide sewer services in the future.
- The Proposal does not conflict with the goals and policies of LAFCo.
- The Proposal is timely, represents an appropriate action, and does not encourage urban sprawl.
- The Proposal would carry out LAFCo's purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the County and its communities.

Accordingly, the Proposal is consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code 56000 et seq.), and LAFCo Policies, Standards, and Procedures, including, but not limited to, Sections 100 and 200.

## **APPLICATION INFORMATION**

### 1. **Affected Territory**

<b>Acreage:</b>	1.58 acres
<b>Current Land Use:</b>	Industrial
<b>Number of Parcels</b>	1
<b>Landowners/ Registered Voters:</b>	Landowners:1/ Voters: 0
<b>County Zoning:</b>	M-3
<b>Ag. Preserves/Contracts:</b>	None
<b>Assessor Parcel Numbers:</b>	330-070-12

2. **Reason for Annexation** - The property is currently developed for industrial uses but the well has failed and the property owners are seeking to obtain water from the MCWD.

3. **Surrounding Territory** - Consists of industrial uses.

4. **Consistency with Adopted Sphere of Influence (SOI)** - The affected territory is within the Malaga County Water District's adopted Sphere of Influence.

5. **Consistency with City and County General and Specific Plans** - The Proposal is consistent with the County of Fresno's adopted general plan.

### 6. **Existing Service Agencies and Proposed Service Changes**

<b>Service</b>	<b>Existing Service</b>	<b>Change</b>
Water	Private wells	Malaga County Water District
Sewer	Private septic systems	None
Fire Protection	Fresno County Fire Protection District	None

**Please Note:** A service plan for this Proposal is available at [www.fresnolafo.org](http://www.fresnolafo.org) under the Hearings and Workshops tab in the March 12, 2014 file in the staff report.

### 7. **Cities and Districts Included Wholly or Partially within the Affected Territory**

County of Fresno	Fresno County Library District
Kings River Conservation District	Fresno County Fire Protection District
State Center Community College District	Fowler Cemetery District
Fresno Metropolitan Flood Control District	West Fresno County Red Scale Protective District
County Service Area No. 35	Fresno Mosquito Abatement District
Fowler Unified School District	Fresno Irrigation District
Malaga County Water District	







### 8. **Costs and Other Changes Affecting Residents or Landowners**

There is a connection fee the landowner will be required to pay in addition to the monthly service charges.

9. **Agencies and Individuals Submitting Comments** (see Correspondence and Comments on our website at [www.fresnolafco.org](http://www.fresnolafco.org) under the Hearings and Workshops tab in the March 12, 2014 folder attached to the staff report):
- Morgan Barnett, Elections Division, County of Fresno
  - Rick Lyons, Engineering Technician III, Fresno Metropolitan Flood Control District
  - Kevin Tsuda, R.E.H.S., Environmental Health Division, County of Fresno
  - Laurel Prysiazny, Fresno County Public Library
10. **Territory Boundaries:** The boundaries of the proposed annexation **are** definite and certain, and there **are no** conflicts with lines of assessment ownership. The map and description are not sufficient per David King (Fresno County Assessor, Assessment Services Supervisor) for recordation or filing with the State Board of Equalization.
11. **Registered Voter Data**
- The County of Fresno Elections Office reported that on January 30, 2014, that there were zero (0) registered voters in the affected territory.
12. **Compliance with the Requirements of CEQA**
- Lead Agency:** Malaga County Water District
- Finding:** Categorically Exempt from the California Environmental Quality Act under CEQA Guidelines Section 15319, "Annexation of Existing Facilities and Lots for Exempt Facilities (see Environmental Document).
13. **Names of Landowners or Parties of Real Interest** Tami and Mark Graham and the Malaga County Water District
- Proponent** Malaga County Water District
14. **Public Notice of Hearing** - Public notice concerning this Proposal was issued by the Executive Officer pursuant to State law.
15. **Individuals and Agencies Receiving this Report**
- LAFCo Commissioners and Alternates
  - Ken Price, LAFCo Counsel, Baker, Manock, and Jensen
  - Will Kettler, Division Manager, Development Services Division, Fresno County Public Works and Planning Department
  - Bernard Jimenez, Deputy Director of Public Works and Planning
  - Charles E. Garabedian Jr., Malaga County Water District
  - Will Washburn, Provost & Pritchard
  - Mark and Tami Graham

# FIGURE 1 - GENERAL SITE LOCATION



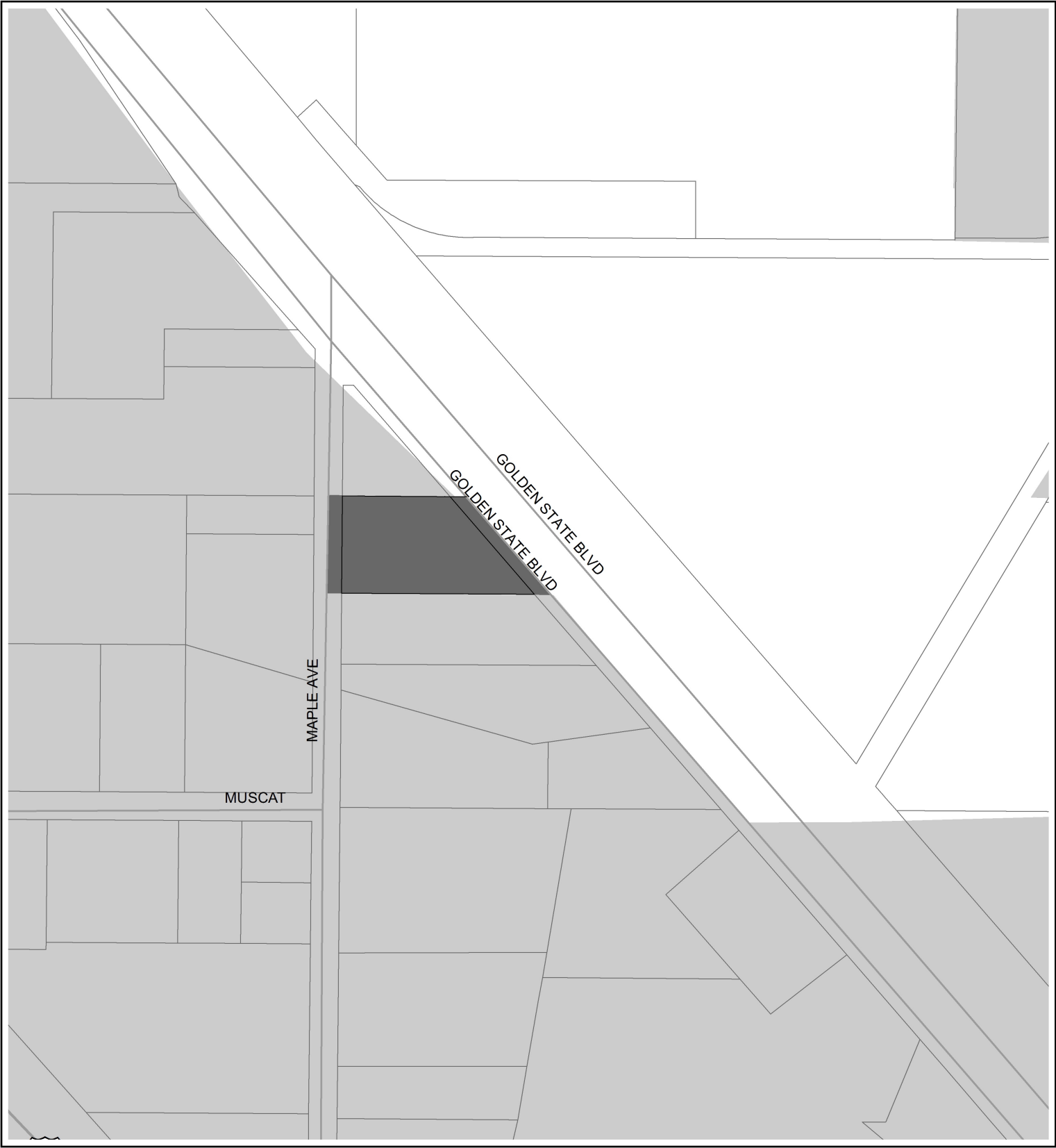
-  District SOI
-  District Area
-  Affected Territory
-  District Overlapping City
-  Fresno SOI
-  City of Fresno

Malaga County Water District  
 "Graham Annexation"  
 (LAFCo File No. AD-14-1)

0 0.25 0.5 1  
 Miles



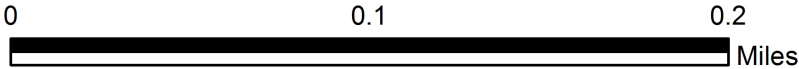
FIGURE 2 - ANNEXATION MAP



Malaga County Water District  
"Graham Annexation"  
(LAFCo File No. AD-14-1)

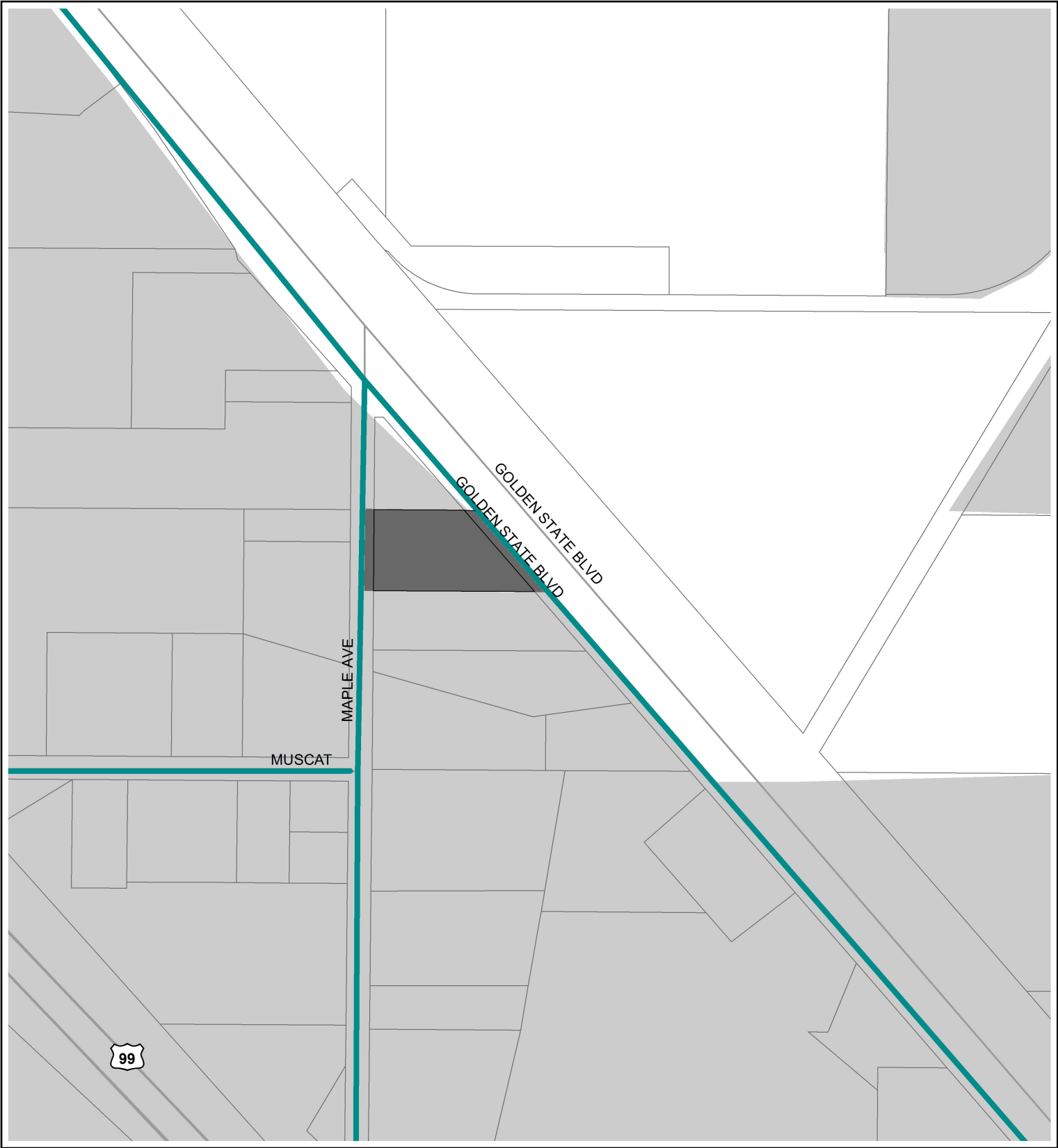
Legend

- District Area
- Affected Territory








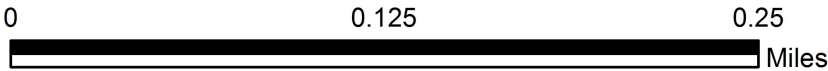
**FIGURE 3 - EXISTING WATER LINES**



**Legend**

-  District Area
-  Affected Territory
-  Water Lines

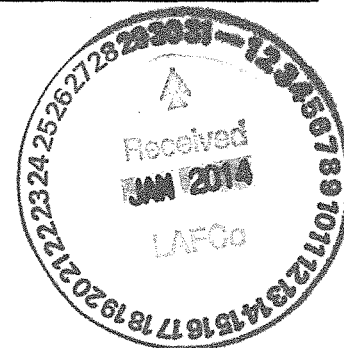
Malaga County Water District  
"Graham Annexation"  
(LAFCo File No. AD-14-1)



# LAFCo Fresno Local Agency Formation Commission

DATE: January 17, 2014  
TO: Morgan Barnett, Elections Division  
FROM: David E. Fey, AICP, Executive Officer *DF*  
SUBJECT: "Graham Annexation"

AGENCY NO.: AD-14-1



The attached application has been filed for processing with the Local Agency Formation Commission (LAFCo) office. In accordance with Government Code Section 56386, your agency's assistance in reviewing and commenting on this application is requested. At this time we are requesting the following information indicated by an "X":

- A.   X   Number of registered voters in the area.   0
- B.        **If 12 or more registered voters**, for notification purposes please furnish **two** sets of labels that show all registered voters in the affected area along with their address. Also please furnish **one** set of labels for all registered voters residing within 300 feet of the exterior boundary of the property as shown upon the most recent assessment roll being prepared by the County.
- D.        What percent of the registered voters in the proposal area does the attached petition represent?
- E.   X   Will the proposal adversely affect precinct boundaries or the conduct of elections?   NO
- F.        Other comments:

In order to proceed with the processing of this application, your comments need to be returned to this office by **February 4, 2014**. Your assistance is greatly appreciated. Thank you.

DEF:sh

Attachments: Map, Legal description

*Morgan Barnett* ITA  
\_\_\_\_\_  
Signature and Title

1/30/2014  
\_\_\_\_\_  
Date



FRESNO METROPOLITAN FLOOD CONTROL DISTRICT

File 170.44

January 31, 2014

Mr. David E. Fey, AICP, Executive Officer  
Fresno Local Agency Formation Commission  
2607 Fresno Street, Suite "B"  
Fresno, CA 93721



Dear Mr. Fey,

**"Graham Annexation", AD-14-1  
Annexation of 5.25+/- Acres to the City of Fresno  
Drainage Area "BJ"**


The proposed annexation boundary encompasses lands within the Fresno Metropolitan Flood Control District and will be served by the District's Storm Drainage and Flood Control Master Plan. Drainage service by the Master Plan does not exist for the annexation at this time.

It is our understanding there will be no change in the District's share of the property tax base, nor future property tax increments for the impacted Tax Rate areas.

The District further requests its historic growth increment tax be applied to this area.

If you have any questions or require further information, please do not hesitate to contact us.

Sincerely,

  
Rick Lyons  
Engineering Technician III

RL/lrl

c: Bob Van Wyk, Fresno Metropolitan Flood Control District

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## County of Fresno

DEPARTMENT OF PUBLIC HEALTH  
DAVID POMAVILLE, M.B.A., R.E.H.S.  
INTERIM DIRECTOR

January 27, 2014

Mr. David E. Fey  
Local Agency Formation Commission  
2607 Fresno Street, Suite B  
Fresno, CA 93721



LU0017565  
2620

Dear Mr. Fey:

PROJECT NO: AD-14-1

SUBJECT: Maple Ave. & Golden State Blvd. "Graham Annexation"

1. Adequacy and availability of existing and proposed community water and sewer systems:

2. Need for services other than those proposed:

3. Effect of project on air or water quality:

4. Related County plans or projects:

5. Other comments:

- In addition to connection to public water service, it is recommended that the parcel also connect to public sewer services.
- All water wells and any septic systems that exist or that have been abandoned within the parcel boundary shall be properly destroyed by an appropriately licensed contractor.

If you have any questions, please feel free to contact me at (559) 600-3271.

Sincerely,

Kevin Tsuda

Digitally signed by Kevin Tsuda  
DN: cn=Kevin Tsuda, o, ou=Fresno  
County EH,  
email=ktsuda@co.fresno.ca.us, c=US  
Date: 2014.01.27 13:27:29 -08'00'

Kevin Tsuda, R.E.H.S.  
Environmental Health Specialist II  
Environmental Health Division

cc: Glenn Allen, Supervising Environmental Health Specialist  
Betsy Lichti, California Department of Public Health  
Dale Harvey, Regional Water Quality Control Board

***Dedicated to Public Health***

1221 Fulton Mall / P.O. Box 11867, Fresno, California 93775 / (559) 600-3271/ FAX (559) 600-7629

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## INTER OFFICE MEMO

Fresno County Public Library

Date: January 23, 2014  
To: David E. Fey, AICP, Executive Officer  
From: Laurel Prysiazny, County Librarian  
Subject: Graham Annexation, AD-14-1



Affects only sewer line and water lines. Building exists there. No historic impact.

**\*\*If upon construction and digging there are any archaeological findings, they should not be disturbed until the right authorities are contacted.**

**Reference:**

Thompson, Thos. H. 1891, *Atlas of Fresno County California*.

Harvey, William Sr., 1907, *Atlas of Fresno County California*.

Progressive Map Service, 1935, *Progressive Atlas of Fresno County*.

**MALAGA COUNTY WATER DISTRICT  
ANNEXATION OF APNs 330-707-11 & 12**

**SERVICE PLAN**

The Malaga County Water District provides the unincorporated community of Malaga with water and sewer service. In addition, the Malaga County Water District provides a recreation program and a community park. The District provides no other services.

**1. WATER**

Water service is to be provided from the existing 8 inch diameter water line in Golden State Blvd. adjacent to the property. The service would consist of a 1.5 inch diameter metered service line of potable water.

The existing water line is a portion of the water supply and distribution system that provides approximately fifty-five hundred (5,500) gallons per minute to the community of Malaga. Typical expected water demand from the site is 80 to 100 gallons per day (0.07 gpm), not including landscape irrigation. The Malaga County Water District presently has three active water supply wells.

**2. SEWER**

Sewer service is available to the site through the existing 6 inch diameter sewer line in Golden State Blvd. adjacent to the property, or through an 8 inch diameter sewer in Maple to the rear of the property. The sewer service would be a 4 inch diameter service. There exists a Deferral Agreement for the future connection to the existing sewer along the frontage of the property.

The existing sewer line flows south along Maple Avenue and then west along Central Avenue to the wastewater treatment plant located at the northwest corner of Maple Avenue and Central Avenue.

The wastewater treatment plant has a design capacity of 1.2 million gallons per day. The present hydraulic loading to the treatment plant is approximately 800,000 gallons per day (0.8 million gallons per day).

E201410000002

## Notice of Exemption

To: Fresno County Clerk

From: Malaga County Water District  
3580 South Frank Street  
Fresno, CA 93725

FILED

Project Title: Graham Annexation

Project Applicant: Malaga County Water District

JAN 08 2014

Project Location - Specific: 3363 South Golden State Boulevard, Fresno, CA  
APNs 330-070-11 & 12

By:  FRESNO COUNTY CLERK  
DEPUTY

Project Location - City: Fresno (unincorporated area) Project Location - County: Fresno

Description of Project: The project consists of annexation of two parcels and adjacent right-of-way segments into the Malaga County Water District, allowing the District to provide water service to the existing business on the property. The private well on the site has failed. Under a Deferral of Sewer Connection Agreement, the site will not be required to immediately connect to District sewer facilities.

Name of Public Agency Approving Project: Malaga County Water District

Name of Person or Agency Carrying Out Project: Malaga County Water District

**Exempt Status:**

- ☐ Ministerial (Sec. 21080(b); 15268);  
☐ Declared Emergency (Sec. 21080(b); 15269(a));  
☐ Emergency Project (Sec 21080(b)(4); 15269(b)(c));  
☐ Categorical Exemption. State type and section number: **15319(a), Annexations of Existing Facilities and Lots for Exempt Facilities.**  
☐ Statutory Exemption. State code number: \_\_\_\_\_

Reason(s) why project is exempt: The existing private well on the subject site has failed. The project would result in annexation of the subject site and adjacent right-of-way segments, and would allow the District to construct a 2-inch-diameter metered water service and a 4-inch-diameter fire service from its existing 8-inch-diameter water main adjacent to the subject site in South Maple Avenue. This exemption also extends to the future construction of a 4-inch-diameter sewer lateral, which would connect to either the existing 6-inch-diameter sewer main in South Golden State Boulevard or to the existing 8-inch-diameter sewer main in South Maple Avenue. There would be no additional provision of new services to any other facilities or site.

Lead Agency Contact Person: Russ Holcomb  
General Manager  
(559) 485-7353

Signature:  Date: 11/1/2013 Title: General Manager

E201410000002