Patrick Jones County Member

Pamelyn Morgan City Member Alternate

Stan Neutze City Member

Mike Dacquisto City Member Irwin Fust Special District Member

Mary Rickert County Member Alternate

Vacant Special District Member



Larry Russell Public Member

County Member

Special District Alternate

Fred Ryness

Patricia Ann Campbell Public Member Alternate

> George Williamson Executive Officer

James M. Underwood General Counsel

> Kathy Bull Office Manager

Agenda Item: 7.b.

Meeting Date: February 2 2023

From: George Williamson AICP, Executive Officer

Subject: Proposed City of Anderson Water Services Extension to Portion of Wooded Acres The Commission will consider a proposal submitted by City of Anderson Resolution of Application for proposed water service extension (portion of Wooded Acres Subdivision). The City, on behalf of property owners, is requesting water services be extended, on Robles Drive, outside the Anderson city boundary and outside their adopted sphere of influence. The properties proposed to be served are developed with residential uses.

LAFCOs are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes proposed changes of organization, such as boundary changes, consistent with adopted policies and procedures pursuant to California Government Code § 56375. LAFCOs are authorized with broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

Background

Wooded Acres Subdivision is located in the Shasta County unincorporated area. It lies adjacent to the Redding City limits and the Tucker Oaks Water District Boundary. The subdivision is not within the City of Anderson or the city's sphere of influence (SOI). Although, the City of Anderson Wooded Acres Pressure Zone currently serves a substantial number of landowners within the subdivision. Anderson Wooded Acres Water Pressure Zone (WAWPZ)– water services.

Application Materials

Plan for Services

Wooded Acres Subdivision Property owners inquired about extending the City of Anderson's water service to additional parcels in their area. The Anderson City Council requested that staff advise on this water issue. LAFCo is tasked with determining who and how the water system should be expanded and funded. Currently, approximately 220 parcels within the Wooded Acres Pressure Zone receive water, but some parcels are not served. A number of those parcels not served have requested water service due to low volume or dry wells. The City of Anderson applies to Shasta LAFCo for out of area water services in order to connect the additional parcels.

The City of Anderson operates the Tucker and Rhyne wells in the Wooded Acres Subdivision. The wells serve the approximate 220 connections that include two commercial 3-inch meters serving the Fairway Oaks mobile home park in the City of Redding. The water system has adequate volume and operates at a static pressure of 40psi. On the northeast corner of the subdivision, the City of Anderson has an intertie with the City of Redding. This intertie opens when there are service issues with the Tucker or Rhyne wells. When the intertie is open, the operating pressure adjusts to 80psi and creates a \$1,000 a

day flat fee for the opening of the intertie. The City of Redding and Wooded Acres subdivision border on the northerly edge and has existing water service infrastructure in place. The City of Anderson is unsure what the effect will be of adding addition customers to the existing pressure zone and/or what improvements will need to be made. The additional connections will require an engineering analysis for determining how the increased water demand can be met. For example, in order for the City of Anderson to serve the area they may need an additional well to provide the minimum amount of water pressure and volume for meeting current fire flow requirements. An additional water line for the intertie to create an effective and efficient system may also be needed. How the water is served will determine the cost which will be paid for by the water users in the Wooded Acres subdivision.

City Resolution of Application, LAFCO Application Form and Staff Report

City Resolution 22-46 for the out of area extension application to Shasta LAFCO by was passed unanimously the City of Anderson's Council on October 18, 2022. City staff presented a staff report describing the proposed out of area extension to the City of Anderson's Council at their October 4, 2022 meeting. The staff report gives a history of the subdivision and City and their water services, as well as the LAFCO application requirements for the out of area service extension. A signed LAFCO Application form was also submitted.

Shasta County Environmental Health Letter

Since June of 2022, three residential wells in the Wooded Acres Subdivision have been reported as dry to the California Department of Water Resources Dry Well Reporting System. The additional filings made to Shasta County and the City of Anderson indicate there are more than three dry wells in the area that were not reported to the California Department of Water Resources. The lack of water has been deemed a health hazard by the Shasta County Environmental Health Division (SCEHD). Since the wells have gone dry due to low groundwater in a robust water basin, it shows that those wells are very shallow and present a health concern due to poor water quality. The SCEHD recommends that the parcels on private wells in the subdivision be connected to the City of Anderson Water System.

Application Deposit

The application deposit was paid by the Shasta County Public Works Department.

Property Owner Consent

All but one property owner has submitted consent forms for extending City water services to their properties. The one not consenting is an out of area landowner.

Prior Shasta LAFCo Actions

On March 14, 1973, a resolution was approved by LAFCo which annexed 19.5 acres of the Wooded Acres Subdivision into the newly formed Western Homes Subdivision Storm Drain Maintenance District (Rhyne). It had also been approved that 10.5 acres of the subdivision be annexed into the Denton Subdivision Storm Drainage Maintenance District. That annexation was required by the Planning Commission in order to approve the tentative subdivision map. In 1974, LAFCo denied an application that would detach the subdivision from Anderson-Cottonwood Irrigation District until the new revenue structure was known. The Commission approved the annexation of the 10.5 acres of Wooded Acres Subdivision to the Denton Storm Drain Maintenance District. In 1985, the City of Redding requested reorganization proceedings involving an agreement to the exchange of property tax revenues with the property annexed to the City after July 24, 1979 and to annex the Wooded Acres North area into the City. The resolution was adopted in October of 1985.

In 1987, the Commission received another application for reorganization from the City of Redding to annex the Wooded Acres North/Shasta County FPD#1 and CSA #15 detachments. This reorganization

was adopted in August of 1986. In October 1987, the proceedings for the exchange of property tax revenues was terminated due to majority protest.

Reasons for Proposal

The City of Anderson Council met on October 18, 2022 to vote on the resolution proposing the City applies for out of area extension of water services to the Wooded Acres Subdivision. The reasons for the services extension as set forth in application to LAFCo are as follows:

The City of Anderson is requesting water services be extended to an unserved portion of the WAWPZ, outside city boundary and adopted sphere of influence, for health and safety purposes. The area proposed for extended services is shown in Attachment 1. This property is within the City of Redding Sphere of Influence. The City of Anderson already serves approximately 220 connections within the WAWPZ.

Analysis

For the City of Anderson, to deliver the water service to the location. A water line must be extended in Robles Drive. According to a construction estimate proved by the property owners approximately 1,000 lineal feet of water line would be extended to serve residents. There would also be two fire hydrants installed along Robles Drive. The City of Anderson indicates low water pressure for this area, necessitating an additional well or City of Redding water from the intertie serving the WAPZ.

Proposed Services Engineering & Extension Implementation Schedule

The applicant, City of Anderson, is proposing water services be extended to multiple parcels outside the city boundary and Sphere of Influence (SOI). This would be a privately funded project for the benefit of property owners on Robles Drive. The residents would be responsible for hiring and paying for an engineer and for construction services. It is not known whether the property owners have enough money to fund the endeavor. The Wooded Acres Subdivision South has recently been added to the City of Redding SOI.

The service extensions have been driven by the property owners, but Shasta County, City of Anderson, and City of Redding would have some responsibilities. Actions to occur sequentially, are outlined below:

Action

Responsible Party/Agency

Services Extension Review/Authorization (with conditions) Shasta LAFCO (February 2023)

System Capacity Study, Engineering & Construction Plans Robles Drive Property Owners The owners will be responsible for retaining engineering services to assess system capacity prior to extension design. This will include ability to meet fire standards which have recently been changed to require 1,000 gallons per minute (gpm) fire flows, from new hydrants. Construction plans suitable for an encroachment permit and cost estimate also needed.

The Anderson Application Plan for Services includes the following:

The additional connections will require an engineering analysis to determine how the additional water demand can be met. For City of Anderson to serve, it's likely an additional well maybe needed to provide the minimum amount of water pressure and volume needed to meet current fire flow requirements. For the City of Redding to serve, the intertie opening and additional water line installation may be needed to make an effective and efficient system.

Cities of Redding/Anderson Intertie Agreement Revision Cities of Redding/Anderson Based on information from capacity study an intertie agreement may be needed.

Water Services Extension Funds Deposit Robles Drive Property Owners Should the capacity be determined to be adequate, the property owners would need to deposit sufficient permit and construction funds in an account with local bank.

Water Conservation Plan for connected parcels Given this proposal is drought condition related, a co	Robles Drive Property Owners onservation plan is warranted.
Construction Bid Award	Robles Drive Property Owners
Encroachment Permit Issued County of Shasta Public Works Shasta County requires an encroachment permit for work in County Roadway. They'll want to make sure road crossings & culverts are clearly marked, a property owner responsibility.	
Water line /laterals /hydrants installed- Robles Dr. ROW	Robles Dr. Prop Owners Contractor
Final Inspection/ Encroachment Permit Signoff County of Shasta Public Works Final inspection to include making sure road wasn't damaged.	
Robles Drive – water line easements The property owners would be responsible for prepa	County of Shasta to City of Anderson aring easements to be conveyed.
Water Infrastructure /easement dedications Set individual water meters/collect connection fees	Robles Dr. Prop Owners to City of Anderson City of Anderson
Water service activated to affected parcels	City of Anderson
Certificate of Completion Upon completion of all conditions.	Shasta LAFCO

Provision of Public Services

There is an existing water system intertie agreement between the City of Redding and the City of Anderson. That agreement would be amended as part of this services extension.

In addition fire hydrants will be installed, for emergency fire services use by Shasta County Fire department CSA #1, including testing and any other flow maintenance to maintain hydrant functionality.

Land Use Designations

Land uses are currently subject to the Shasta County General Plan and Zoning Ordinance. The County General Plan land use designation of the subject property is Suburban Residential (SR), it is not necessary for land uses to be changed.

Authority

California Government Code Section 56133 enables LAFCo to authorize a city to provide new or extended services by contract or agreement outside its jurisdictional boundaries under specified circumstances. In this proposal, the services would be extended multiple parcels, outside the City's adopted Sphere of Influence, for health and safety reasons.

Other Considerations

Environmental Review

In accordance with the California Environmental Quality Act (CEQA), the City of Anderson served as Lead Agency for the resolution of application and proposed service provider and Shasta LAFCO is a responsible agency. Pursuant to CEQA Guidelines: 14 CCR § 15303(c) Class 3: New Construction or Conversion of Small Structures, which exempts construction and location of limited numbers of new, small facilities or structures including water main, sewage, electrical, gas, and other utility extensions. The project, proposed to be located in a road right-of way, would not have a significant effect on the environment and is therefore exempt from the CEQA provisions.

Conducting Authority Proceedings

Cortese Knox Herzberg (CKH) Act Section 56133 permits extension of water service in anticipation of future annexation. Section 56133, for extension of service outside city or district boundaries recognizes that there may be unique local conditions among individual service providers and unincorporated communities. LAFCO policies favor annexation, especially for lands proposed for development. According to the City of Anderson, annexation is not feasible at this time. This application did not receive 100% landowner consent. Commission action is subject to a 30-day reconsideration period and other conditions included in Resolution 2023-01 attached.

RECOMMENDATION

Receive Staff Report

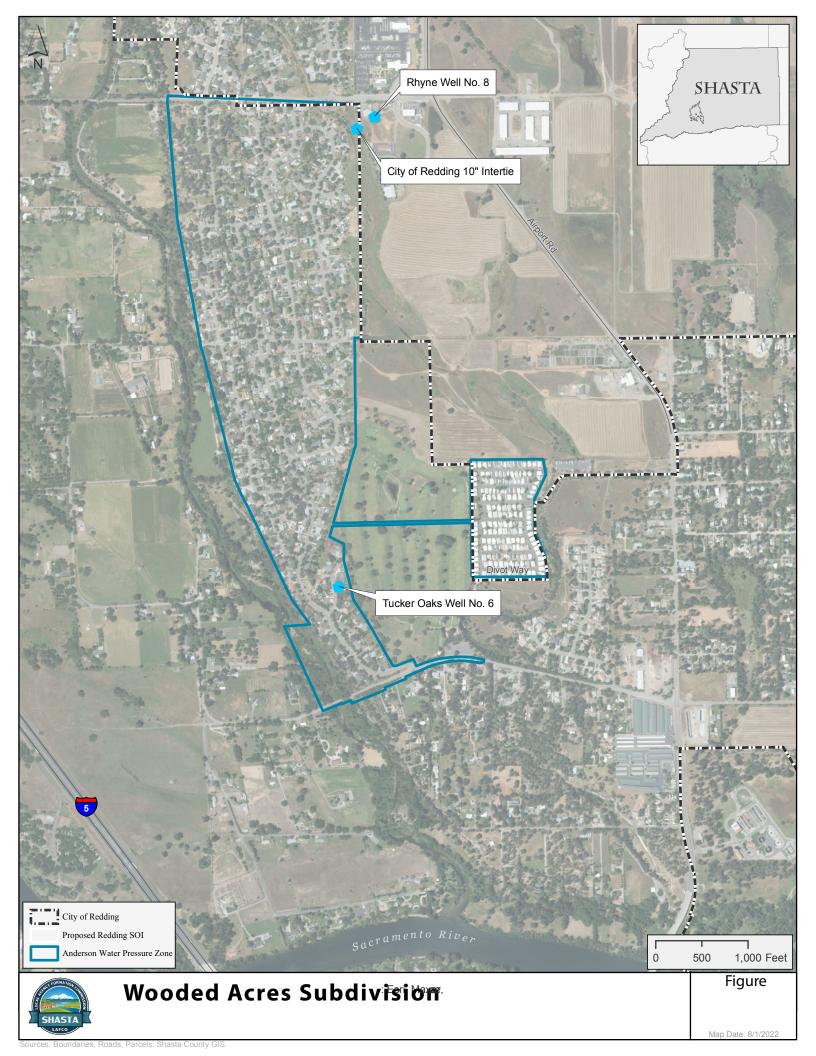
Open the Public Hearing and take testimony

Close the public hearing and consider staff recommendation:

APPROVE SUBJECT TO CONDITIONS:

It is recommended that the City of Anderson Water Extension be approved subject to conditions included in Resolution 23-01 attached.

Attachment 1: Site Plan Attachment 2: Shasta LAFCO Resolution 2023-01



LAFCO RESOLUTION 2023-01

RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION ADOPTING THE CITY OF ANDERSON – WATER SERVICE EXTENSION (TO A PORTION OF) WOODED ACRES SUBDIVISION

WHEREAS, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 governs the organization and reorganization of cities and special districts by Local Agency Formation Commissions, as defined and specified in Government Code Sections 56000 et seq.; and

WHEREAS, the City of Anderson provides municipal water service, through the Wooded Acres Pressure Zone (WAPZ), to the unincorporated portion of the Wooded Acres Subdivision, outside the City boundary and Sphere of Influence, but within the City of Redding SOI; and

WHEREAS, Most of the Wooded Acres Subdivision is served by water from the WAPZ, however multiple properties along northerly Robles Drive do not; and

WHEREAS, Robles Drive property owners, not currently connected, have requested water service be provided from the City of Anderson WAPZ; and

WHEREAS, the City of Anderson passed Resolution 22-46, Requesting the Shasta Local Agency Formation Commission Initiate Proceedings for a Service Extension, on October 18, 2022 and submitted a Resolution of Application and Plan for Services to Shasta LAFCO requesting water services be extended to these properties; and

WHEREAS, per Cortese Knox Herzberg Local Government Reorganization Act of 2000 Section 56133(a), a City may propose a services extension outside City boundaries and outside the Sphere of Influence to the LAFCO Commission to respond to existing or impending threat to the health or safety of the public or the residents of the affected territory and per Section 56133(b), LAFCO may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its Sphere of Influence to respond to existing or impending threat to the health or safety of the residents of the affected territory if (i) the entity applying for approval has provided LAFCO with documentation of a health and safety threat to the public or the affected residents, and (ii) LAFCO has notified any alternate service provider, including any water corporation as defined in Public Utilities Code Section 241, that has filed a map and a service capabilities statement with LAFCO; and

WHEREAS a water services extension to these properties would require the cooperative effort of the property owners, the Cities of Redding and Anderson and the County of Shasta with implementation measures, as conditioned in this resolution, outlining the responsibilities of the cooperating parties ; and

WHEREAS, in the accordance with California Government Code Section 56661, the Executive Officer has given sufficient notice of the public hearing by the Commission on the proposal; and

WHEREAS, Shasta LAFCO prepared, distributed to affected agencies, and posted a Notice of Filing, and Certificate of Filing, for the proposed action; and the Commission heard and fully considered all testimony and evidence presented at a public hearing held on February 2, 2023; and

WHEREAS The Commission finds the service extension is exempt from further review under the California Environmental Quality Act pursuant to CEQA Guidelines: 14 CCR § 15303(c) Class 3: New Construction or Conversion of Small Structures, the project would not to have a significant effect on the environment and is therefore exempt from the CEQA provisions.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

The Commission hereby determines the extension of water services to the multiple unincorporated properties within Wooded Acres Subdivision, located outside the City of Anderson's jurisdictional boundary and outside the Sphere of Influence is approved for health and safety reasons subject to the following conditions:

- 1. Completion of a 30-day reconsideration period provided under Government Code Section 56895.
- 2. Payment of any outstanding fees as identified in the Commission's adopted fee schedule.
- 3. The owners will be responsible for retaining engineering services to assess system capacity prior to extension design. This will include ability to meet fire standards which have recently been changed to require 1,000 gallons per minute (gpm) fire flows, from new hydrants. Construction plans suitable for an encroachment permit and cost estimate also needed.
- 4. The additional connections will require an engineering analysis to determine how the additional water demand can be met to provide the minimum amount of water pressure and volume needed to meet current fire flow requirements. A revision to the City of Redding City of Anderson Intertie Agreement would be necessary to provide additional water needed to make an effective, adequate, safe and efficient supply system.
- 5. Based on capacity study information, the City of Redding and City of Anderson revise the Intertie Agreement between City of Redding and City of Anderson for increased flow and pressure.
- 6. Robles Drive property owners prepare and agree to a water conservation plan for connected parcels.
- 7. Robles Drive property owners obtain a water line, laterals, hydrants construction bid award, apply for an encroachment permit for work in county roadways from Shasta County Public Works Department and are responsible for obtaining final inspection and encroachment permit signoff.
- 8. Robles Drive property owners prepare easements for water lines in the County Robles Drive rightof-way and, upon County acceptance as to form, County to convey those easements for recordation.
- 9. City of Anderson to set individual water meters/collect connection fees and activate water service.
- 10. The Executive Officer is to transmit a certified copy of this resolution to each affected agency, as provided in G.C. § 56882 and upon condition compliance, record a Certificate of Completion.
- 11. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless an extension is approved.

BE IT FURTHER RESOLVED The City of Anderson - Water Service Extension (portion of Wooded Acres Subdivision) is hereby approved and incorporated herein by reference as presented on the attached map noted as Exhibit A.

Adopted on February 2, 2023, by the following votes:

AYES: NOES: ABSTAINS: ABSENT:

Dated: _____

Irwin Fust, Chairman Shasta Local Agency Formation Commission

Attest:

Dated:

George Williamson, Executive Officer Shasta Local Agency Formation Commission

Exhibit A – Location Map